DANFORTH & MEIERHENRY, LLP

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PATRICK J. GLOVER

September 12, 2007

Secretary of State
State Capitol
500 E. Capitol
Pierre, SD 57501-5077

Dear Secretary:

Pursuant to SDCL 6-8B-19 enclosed please find the Bond Information Statement for the following bond issue:

- City of Salem
  Drinking Water Borrower Bond, Series 2007

Please stamp date received on the copy to acknowledge receipt of these documents and return in the envelope provided.

Please bill our pad account # 100064 for the $1.00 filing fee. If you should have any questions or comments relating to this form, please call the undersigned of this office at (605) 336-3075.

Sincerely yours,

Todd Meierhenry

TVM:dm
Encl.

315 SOUTH PHILLIPS AVENUE, SIOUX FALLS, SOUTH DAKOTA 57104
605.336.3075 (TEL) 605.336.2593 (FAX)
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STATE OF SOUTH DAKOTA
CITY OF SALEM
MCCOOK COUNTY
DRINKING WATER REVENUE BORROWER BOND, SERIES 2007

BOND INFORMATION STATEMENT

State of South Dakota
SDCL 6-8B-19

Return to: Secretary of State
State Capitol
500 E. Capitol
Pierre, SD 57501-5077

FILING FEE: $1.00

TELEPHONE: # (605) 773-3537

Every public body, authority, or agency issuing any general obligation, revenue, improvements, industrial revenue, special assessment, or other bonds of any type shall file with the Secretary of State a bond information statement concerning each issue of bonds.

1. Name of issuer: City of Salem.

2. Designation of issue: Borrower Bond.

3. Date of issue: August 31, 2007

4. Purpose of issue: Water improvements.

5. Type of bond: Tax Exempt.

6. Principal amount and denomination of bond: $1,345,000.

7. Paying dates of principal and interest:

See attached Schedule.

8. Amortization schedule:

See attached Schedule.

9. Interest rate or rates, including total aggregate interest cost:

See attached Schedule.

This is to certify that the above information pertaining to the Borrower Bond is true and correct on this 31st day of August 2007.

By: Lori Heumiller
Its: Finance Officer

Form: SOS REC 050 08/84

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$1,345,000
City of Salem
Drinking Water Revenue Borrower Bond, Series 2007

Dated Aug 31, 2007 — Debt Service Report — 30/360/4+

Dates	Principal	Coupon	Interest	Total	BY 7/15	FY 1/1
07/15/2009			81,960.94	81,960.94	81,961	
10/15/2009	$6,660.47	3.250	10,928.13	17,588.60		99,550
01/15/2010	$6,714.59	3.250	10,874.01	17,588.60		
04/15/2010	$6,769.14	3.250	10,819.45	17,588.60		
07/15/2010	$6,824.14	3.250	10,764.45	17,588.60	70,354	
10/15/2010	$6,879.59	3.250	10,709.01	17,588.60		70,354
01/15/2011	$6,935.49	3.250	10,653.11	17,588.60		
04/15/2011	$6,991.84	3.250	10,596.76	17,588.60		
07/15/2011	$7,048.65	3.250	10,539.95	17,588.60	70,354	
10/15/2011	$7,105.92	3.250	10,482.68	17,588.60		70,354
01/15/2012	$7,163.65	3.250	10,424.95	17,588.60		
04/15/2012	$7,221.86	3.250	10,366.74	17,588.60		
07/15/2012	$7,280.53	3.250	10,308.06	17,588.60	70,354	
10/15/2012	$7,339.69	3.250	10,248.91	17,588.60		70,354
01/15/2013	$7,399.32	3.250	10,189.27	17,588.60		
04/15/2013	$7,459.44	3.250	10,129.15	17,588.60		
07/15/2013	$7,520.05	3.250	10,068.55	17,588.60	70,354	
10/15/2013	$7,581.15	3.250	10,007.45	17,588.60		70,354
01/15/2014	$7,642.75	3.250	9,945.85	17,588.60		
04/15/2014	$7,704.85	3.250	9,883.75	17,588.60		
07/15/2014	$7,767.45	3.250	9,821.15	17,588.60	70,354	
10/15/2014	$7,830.56	3.250	9,758.04	17,588.60		70,354
01/15/2015	$7,894.18	3.250	9,694.42	17,588.60		
04/15/2015	$7,958.32	3.250	9,630.28	17,588.60		
07/15/2015	$8,022.98	3.250	9,565.61	17,588.60	70,354	
10/15/2015	$8,088.17	3.250	9,500.43	17,588.60		70,354
01/15/2016	$8,153.89	3.250	9,434.71	17,588.60		
04/15/2016	$8,220.14	3.250	9,368.46	17,588.60		
07/15/2016	$8,286.93	3.250	9,301.67	17,588.60	70,354	
10/15/2016	$8,354.26	3.250	9,234.34	17,588.60		70,354
01/15/2017	$8,422.14	3.250	9,166.46	17,588.60		
04/15/2017	$8,490.56	3.250	9,098.03	17,588.60		
07/15/2017	$8,559.55	3.250	9,029.05	17,588.60	70,354	
10/15/2017	$8,629.10	3.250	8,959.50	17,588.60		70,354
01/15/2018	$8,699.21	3.250	8,889.39	17,588.60		
04/15/2018	$8,769.89	3.250	8,818.71	17,588.60		
07/15/2018	$8,841.14	3.250	8,747.45	17,588.60	70,354	
10/15/2018	$8,912.98	3.250	8,675.62	17,588.60		70,354
01/15/2019	$8,985.40	3.250	8,603.20	17,588.60		
04/15/2019	$9,058.40	3.250	8,530.19	17,588.60		
07/15/2019	$9,132.00	3.250	8,456.59	17,588.60	70,354	
10/15/2019	$9,206.20	3.250	8,382.40	17,588.60		70,354
01/15/2020	$9,281.00	3.250	8,307.60	17,588.60		
04/15/2020	$9,356.41	3.250	8,232.19	17,588.60		
07/15/2020	$9,432.43	3.250	8,156.17	17,588.60	70,354	
10/15/2020	$9,509.07	3.250	8,079.53	17,588.60		70,354
01/15/2021	$9,586.33	3.250	8,002.27	17,588.60		
04/15/2021	$9,664.22	3.250	7,924.38	17,588.60		
07/15/2021	$9,742.74	3.250	7,845.86	17,588.60	70,354	
10/15/2021	$9,821.90	3.250	7,766.70	17,588.60		70,354
01/15/2022	$9,901.70	3.250	7,686.89	17,588.60		
04/15/2022	$9,982.15	3.250	7,606.44	17,588.60		
07/15/2022	$10,063.26	3.250	7,525.34	17,588.60	70,354	
10/15/2022	$10,145.02	3.250	7,443.57	17,588.60		70,354
01/15/2023	$10,227.45	3.250	7,361.15	17,588.60		
04/15/2023	$10,310.55	3.250	7,278.05	17,588.60		

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07/15/2023	$10,394.32	3.250	7,194.27	17,588.60	70,354	
10/15/2023	$10,478.78	3.250	7,109.82	17,588.60		70,354
01/15/2024	$10,563.92	3.250	7,024.68	17,588.60		
04/15/2024	$10,649.75	3.250	6,938.85	17,588.60		
07/15/2024	$10,736.28	3.250	6,852.32	17,588.60	70,354	
10/15/2024	$10,823.51	3.250	6,765.09	17,588.60		70,354
01/15/2025	$10,911.45	3.250	6,677.15	17,588.60		
04/15/2025	$11,000.11	3.250	6,588.49	17,588.60		
07/15/2025	$11,089.48	3.250	6,499.12	17,588.60	70,354	
10/15/2025	$11,179.58	3.250	6,409.01	17,588.60		70,354
01/15/2026	$11,270.42	3.250	6,318.18	17,588.60		
04/15/2026	$11,361.99	3.250	6,226.61	17,588.60		
07/15/2026	$11,454.31	3.250	6,134.29	17,588.60	70,354	
10/15/2026	$11,547.37	3.250	6,041.22	17,588.60		70,354
01/15/2027	$11,641.20	3.250	5,947.40	17,588.60		
04/15/2027	$11,735.78	3.250	5,852.82	17,588.60		
07/15/2027	$11,831.13	3.250	5,757.46	17,588.60	70,354	
10/15/2027	$11,927.26	3.250	5,661.34	17,588.60		70,354
01/15/2028	$12,024.17	3.250	5,564.43	17,588.60		
04/15/2028	$12,121.87	3.250	5,466.73	17,588.60		
07/15/2028	$12,220.36	3.250	5,368.24	17,588.60	70,354	
10/15/2028	$12,319.65	3.250	5,268.95	17,588.60		70,354
01/15/2029	$12,419.74	3.250	5,168.85	17,588.60		
04/15/2029	$12,520.66	3.250	5,067.94	17,588.60		
07/15/2029	$12,622.39	3.250	4,966.21	17,588.60	70,354	
10/15/2029	$12,724.94	3.250	4,863.66	17,588.60		70,354
01/15/2030	$12,828.33	3.250	4,760.27	17,588.60		
04/15/2030	$12,932.56	3.250	4,656.03	17,588.60		
07/15/2030	$13,037.64	3.250	4,550.96	17,588.60	70,354	
10/15/2030	$13,143.57	3.250	4,445.03	17,588.60		70,354
01/15/2031	$13,250.36	3.250	4,338.24	17,588.60		
04/15/2031	$13,358.02	3.250	4,230.58	17,588.60		
07/15/2031	$13,466.56	3.250	4,122.04	17,588.60	70,354	
10/15/2031	$13,575.97	3.250	4,012.63	17,588.60		70,354
01/15/2032	$13,686.28	3.250	3,902.32	17,588.60		
04/15/2032	$13,797.48	3.250	3,791.12	17,588.60		
07/15/2032	$13,909.58	3.250	3,679.02	17,588.60	70,354	
10/15/2032	$14,022.60	3.250	3,566.00	17,588.60		70,354
01/15/2033	$14,136.53	3.250	3,452.07	17,588.60		
04/15/2033	$14,251.39	3.25	3,337.21	17,588.60		
07/15/2033	$14,367.18	3.25	3,221.42	17,588.60	70,354	
10/15/2033	$14,483.92	3.25	3,104.68	17,588.60		70,354
01/15/2034	$14,601.60	3.25	2,987.00	17,588.60		
04/15/2034	$14,720.24	3.25	2,868.36	17,588.60		
07/15/2034	$14,839.84	3.25	2,748.76	17,588.60	70,354	
10/15/2034	$14,960.41	3.25	2,628.19	17,588.60		70,354
01/15/2035	$15,081.96	3.25	2,506.63	17,588.60		
04/15/2035	$15,204.51	3.25	2,384.09	17,588.60		
07/15/2035	$15,328.04	3.25	2,260.56	17,588.60	70,354	
10/15/2035	$15,452.58	3.25	2,136.02	17,588.60		70,354
01/15/2036	$15,578.13	3.25	2,010.46	17,588.60		
04/15/2036	$15,704.71	3.25	1,883.89	17,588.60		
07/15/2036	$15,832.31	3.25	1,756.29	17,588.60	70,354	
10/15/2036	$15,960.94	3.25	1,627.65	17,588.60		70,354
01/15/2037	$16,090.63	3.25	1,497.97	17,588.60		
04/15/2037	$16,221.36	3.25	1,367.23	17,588.60		
07/15/2037	$16,353.16	3.25	1,235.44	17,588.60	70,354	
10/15/2037	$16,486.03	3.25	1,102.57	17,588.60		70,354
01/15/2038	$16,619.98	3.25	968.62	17,588.60		
04/15/2038	$16,755.02	3.25	833.58	17,588.60		
07/15/2038	$16,891.15	3.25	697.44	17,588.60	70,354	
10/15/2038	$17,028.39	3.25	560.20	17,588.60		70,354
01/15/2039	$17,166.75	3.25	421.85	17,588.60		

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04/15/2039	$17,306.23	3.25	282.37	17,588.60		
07/15/2039	$17,446.84	3.25	141.76	17,588.60	70,354	52,766
	$1,345,000.00		$847,592.65	$2,192,592.65	$2,192,593	$2,192,593

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